



State of Michigan
Department of Information Technology
POLICY AND PROCEDURE MANUAL

TYPE
Policy/Procedure

NUMBER
DIT 200.04

PAGE
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SUBJECT

Conflict of Interest and Disclosure of Interest

EFFECTIVE DATE

4/28/03

Policy

Employment in state classified service, and in particular, within the Department of Information Technology (DIT) requires a high degree of loyalty and imposes high ethical standards on employees to ensure the integrity of state government and maintain effective services. All employees of DIT must meet these ethical standards.

In order to enforce these ethical standards, DIT has created the following reporting requirements as permitted under Civil Service Rule 2-8:

1. All employees must report all supplemental employment utilizing form DIT-006 to the Office of Administration and must receive prior approval to engage in supplemental employment.
2. If a employee knows or should know that a potential conflict of interest exists, he/she is required to immediately disclose, on a voluntary basis, all personal or financial interests of the employee or members of the employee's immediate family with which the employee has direct contact while performing official duties as a classified employee utilizing form DIT-044.
3. The following employees or groups of employees are required to submit a Conflict of Interest Disclosure Form (DIT-044) within one month of the effective date of this policy and thereafter annually by 1/1/04:
 - a. All Division Director (SDA or SOA 17 level) employees
 - b. All unclassified and SES employees
 - c. All employees within the Office of Administration, Contracts & Procurement Services
 - d. All employees within Office of Administration, Budget and Finance

General Information

All employees of DIT should read and become familiar with Civil Service Rule 2-8. However, the following is a list of the prohibitions under Civil Service Rule 2-8.2 and some definitions under Civil Service Rule 9-1:

A classified employee shall not do any of the following:

- (1) Divulge or release, for financial gain for the employee or a member of the employee's immediate family, any confidential information that is not by law, rule, regulation, or court order available to members of the general public. However, this subsection does not prohibit an employee from disclosing to a public body a violation or suspected violation as authorized in rule 2-10 [Whistleblower Protection] unless otherwise prohibited by statute, court order, or professional ethics.
- (2) Engage in or agree to engage in, for financial gain for the employee or a member of the employee's immediate family, any business transaction or private arrangement that accrues from or is based on the employee's official position or on confidential information gained by reason of the employee's position.



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***De minimis* exception.** DIT recognizes the following exception to Civil Service Rule 2-8.2(a) (3). The receipt of anything of value that is so de minimis that it is determined that its receipt by the employee could not reasonably be expected to influence how the employee performs work or makes decisions. However, any such de minimis exemption may not exceed the following limits:

- (a) Any single tangible or intangible item with a fair market value exceeding \$20.00.
 - (b) Any combination of tangible and intangible items during any 3-month period with an aggregate fair market value exceeding \$80.00.
 - (c) Any amount of money, including a loan of money.
- (3) Solicit, accept, or agree to accept anything of value (1) from any designated representative [as defined in rule 9-1] or (2) under any circumstances that could reasonably be expected to influence the manner in which the employee performs work or makes decisions.
 - (4) Make available any consideration, treatment, advantage, or favor beyond that which is generally granted or made available to others under similar circumstances.
 - (5) Represent or act as an agent for any private interests, whether for compensation or otherwise, in any transaction in which the state has a direct and substantial interest and which could reasonably be expected to result in a conflict between the employee's private interests and official state responsibilities.
 - (6) Exercise any decision-making authority of the state regarding any state regulation, enforcement, auditing, licensing, or purchasing with respect to any business or entity in which the employee or a member of the employee's immediate family has any financial interest.
 - (7) Engage in supplemental employment that conflicts with the satisfactory or impartial performance of the employee's state duties.
 - (8) Engage in supplemental employment without the express written consent of the employee's appointing authority.
 - (9) Engage in any supplemental employment during actual-duty time.
 - (10) Request or use sick leave to engage in supplemental employment.
 - (11) Use any state funds, property, or equipment in or for the benefit of any supplemental employment.
 - (12) Fail to timely, fully, and accurately report to the employee's appointing authority any of the following:
 - (a) Any interest of the employee or the employee's immediate family in any business or entity with which the employee has direct contact while performing official duties as a classified employee.



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- (b) Any supplemental employment or change in approved supplemental employment required by this rule, applicable regulations, or departmental work rules.

Immediate family in rule 2-8 means an employee's grandparent, parent, parent-in-law, stepparent, sibling, spouse, child, or stepchild.

Supplemental employment means employment, including self-employment, outside the classified service with any business or entity.

Procedures

Disclosure of Interest

| <u>Responsibility</u> | <u>Action</u> |
|------------------------------|--|
| Employee | <ol style="list-style-type: none">1. If one of designated groups, fills out form DIT-044 within one month of the effective date of this policy and annually by 1/1/04 thereafter.2. For all other DIT employees, if a potential conflict of interest exists, employees must fill out and provide form to the Office of Administration immediately and annually by January 1 thereafter. |
| Office of Administration | <ol style="list-style-type: none">3. Reviews form for potential conflicts of interest.4. Forwards approved form to Human Resources.5. Contacts supervisor if a conflict exists for resolution. |
| Human Resources | <ol style="list-style-type: none">6. Files form in personnel file. |



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Supplemental Employment

| <u>Responsibility</u> | <u>Action</u> |
|------------------------------|--|
| Employee | 1. Fills out DIT-0006 prior to engaging in supplemental employment. |
| Supervisor | 2. Approves or denies supplemental employment request. 3. Forwards approval to Office of Administration. 4. Returns denial to employee. |
| DIT Office of Administration | 5. Reviews request. 6. Forwards approval to Human Resources with copies to employee and supervisor. 7. Returns denials to employee and supervisor. |
| Human Resources | 8. Processes request. |

Reference

Civil Service Rule 2-8, 2-9, 9-1

Contact

Any questions or concerns regarding this policy should be directed to the DIT Office of Administration at (517) 241-9277.